

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
April 18, 2023

To: Board of Supervisors

Through: Ann Edwards, County Executive

From: Amanda Thomas, Chief Fiscal Officer

Subject: Approve American Rescue Plan Act District-Directed Funding Allocations For District 2 In The Amount Of \$3,250,000 And For District 3 In The Amount Of \$1,500,000, For A Total Approved Allocation Of \$4,750,000, To WellSpace Health For The Purchase Of A 13 Acre Site To Construct A Community Wellness Campus In Sacramento County; Adopt A Resolution Authorizing The Director Of General Services To Enter Into Agreements Associated With The Implementation Of The Approved Funding Allocation; And Approve An Appropriation Adjustment Request In The Amount Of \$4,750,000 (AAR No. 2023-2028) In The Capital Construction Fund

District(s): Desmond, Kennedy

RECOMMENDED ACTION

1. Approve American Rescue Plan Act district-directed funding allocations for District 2 in the amount of \$3,250,000 and for District 3 in the amount of \$1,500,000, for a total allocation of \$4,750,000, to WellSpace Health for the purchase of a 13 acre site to construct a community wellness campus in Sacramento County.
2. Adopt the attached Resolution authorizing the Director of General Services (DGS), or designee, to negotiate, execute, administer, amend and terminate, in a form approved by County Counsel, agreements associated with the implementation and administration of the approved funding allocation, and to sign other ancillary documents as required in connection with the ARPA Funds, and to do and perform everything necessary to carry out the purpose of this resolution.
3. Approve the attached Appropriation Adjustment Request in the amount of \$4,750,000 (AAR No. 2023-2028). 4/5 Vote Required.

BACKGROUND

On March 11, 2021, the President signed the American Rescue Plan Act of 2021 (ARPA) (HR 1319) into law. Funding within ARPA includes \$350 billion

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for a Coronavirus State and Local Fiscal Recovery Fund (SLFRF). Of this amount, 57% has been allocated to local governments, with \$65.1 billion going directly to counties. Sacramento County's share is approximately \$301.4 million. Of this amount, approximately \$150.7 million was received in May 2021 and the remaining \$150.7 million was received in June 2022.

All SLFRF allocations must be obligated by December 31, 2024, fully spent by December 31, 2026, and can be spent by counties for purposes that fall within these overall categories:

- Support public health expenditures
- Address negative economic impacts caused by the public health emergency
- Replace lost public sector revenue
- Provide premium pay for essential workers
- Invest in water, sewer, and broadband infrastructure

On November 2, 2021, the Board approved Strategic Investments for the Phase One Funding Allocation across top priority issue areas, as follows:

- Housing and Homelessness: housing and support for people experiencing homelessness, affordable housing.
- Health: COVID-19 response, public health, mental health and substance abuse treatment.
- Economic Response: addressing negative economic impacts to residents, communities, and businesses.

Additionally, the Board approved funding allocations of \$5,000,000 for each Board of Supervisors District, premium pay for essential workers that are employed by the County, and for administrative costs related to ARPA program administration. On July 13, 2022, the Board approved the Phase Two Funding Allocation and recommended projects aligned with the Strategic Investments identified in Phase One, resulting in a total of \$10,000,000 available for each Board of Supervisors District.

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Staff has worked with each District to develop projects and funding allocations. The current total approved allocations for District 2 is \$5,000,000 and the District 3 total approved allocations is \$3,025,000. District 2 is proposing to allocate \$3,250,000 and District 3 is proposing to allocate \$1,500,000, for a total allocation of \$4,750,000, for the following project.

WellSpace Health Community Wellness Campus

The proposed allocation will provide \$4,750,000 to WellSpace Health to purchase a 13 acre site in order to construct a Community Wellness Campus. Once constructed, the facility will provide comprehensive medical, dental, behavioral health and supportive services, primarily to people insured by Medi-Cal and those who are uninsured, with a focus on expanding behavioral health and recovery-oriented continuums of care. WellSpace Health is currently in escrow on the property with an anticipated closing date in late April.

Central to the proposed campus is the CRISIS Center, which will occupy a two-story, 32,000 square foot building on the campus. The top floor of the building will house a 988 Communications Center that will operate in partnership with the California Office of Emergency Services as a state and federally designated behavioral health alternative to 911. The first floor will provide real-time response to behavioral health crisis, including the Crisis Receiving for Behavioral Health (CRBH) program, Certified Community Behavioral Health Center, Integrated Resource Center, and a Federally Qualified Health Center for related outpatient medical services. Once constructed, the first services are expected to come online within two years upon completion of tenant improvements.

The allocation will be administered by the Department of General Services to ensure compliance with ARPA regulations and reporting requirements. The use of ARPA funds for this purchase limits the use of the purchased real property consistent with federal regulations 2 CFR Part 200 and must meet an eligible use of ARPA funds.

Appropriations Adjustment Request (AAR)

This report recommends approval of AAR No. 2023-2028 in the amount of \$4,750,000 to provide appropriation authority for these project expenditures

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that were not included in the Capital Construction Fund (CCF) Fiscal Year 2022-23 Adopted Budget.

FINANCIAL ANALYSIS

Approval of the \$4,750,000 ARPA allocation will result in a commitment of \$3,250,000 from the District 2 ARPA allocation and \$1,500,000 from the District 3 ARPA allocation. The CCF requests an Appropriation Adjustment Request in the amount of \$4,750,000 in order to reimburse WellSpace for the purchase of the parcel. Additionally, administrative costs related to the administration of these projects will be funded from the ARPA Administration allocation.

Attachment:

RES – General Services Project Authority

AAR - Appropriation Adjustment Request (AAR 2023-2028)